

# EXHIBIT 3



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
BROOKFIELD PLACE, 200 VESEY STREET, SUITE 400  
NEW YORK, NY 10281-1022

August 7, 2020

*Via ECF*

Hon. Kiyo A. Matsumoto  
United States District Judge  
Eastern District of New York  
225 Cadman Plaza East, Room S905  
Brooklyn, NY 11201

Re: *SEC v. Shkreli*, 15-cv-7175 (KAM) (E.D.N.Y.)

Dear Judge Matsumoto:

Plaintiff Securities and Exchange Commission (“Commission”) and defendants Martin Shkreli, MSMB Capital Management LLC (“MSMB Adviser”), and MSMB Healthcare Management LLC (“MSMB Healthcare Adviser”), and Evan Greebel respectfully submit this status report pursuant to the Court’s April 8, 2020 Scheduling Order.

*Status as to Shkreli, MSMB Adviser, and MSMB Healthcare Adviser*

The Commission and counsel for Shkreli, MSMB Adviser, and MSMB Healthcare Adviser have continued to engage in good faith discussions concerning the potential consensual resolution of all of the claims in this action, without the need for litigation, in light of the resolution of the criminal charges in *United States v. Shkreli*, 15-cr-637 (KAM) (E.D.N.Y.). The Commission staff has informed these defendants’ counsel of settlement terms the staff would be willing to recommend to the Commission and has engaged in discussions with counsel concerning those terms.

Earlier this week, counsel for these defendants, Philip Moustakis of Seward & Kissel LLP, and Andrea Zellan of Brafman & Associates, P.C., provided the Commission with a written submission outlining their counter-proposal concerning as to Shkreli in the hopes of resolving the Commission’s claims on consent. The Commission has begun the process of reviewing the proposal internally to be able to respond to defense counsel.

Since the parties’ June 8, 2020 Joint Status Report, Mr. Shkreli’s counsel were able to secure a single legal call with Mr. Shkreli, for approximately two hours, on July 23, 2020, with that amount of time divided between Mr. Shkreli’s counsel in this case and Mr. Shkreli’s counsel in *Federal Trade Commission v. Vyera Pharmaceuticals, LLC*, No. 1:20-cv-00706-DLC (S.D.N.Y.). We remain uncertain as to when it will be safe or permitted for Mr. Shkreli to have legal visits. Counsel for Mr. Shkreli are very appreciative of the efforts of FCI Allenwood-Low staff to make the July 23, 2020 legal call possible. As the Court knows, the COVID-19 epidemic has required the BOP to shutdown visitation, including legal visitation, and it is challenging for FCI Allenwood-Low to meet the demand for legal calls with inmates. Accordingly, despite best efforts by Counsel and FCI-Allenwood Low, there continue to be long intervals between opportunities to confer with Mr. Shkreli. For these reasons, Mr. Shkreli respectfully requests an additional 60 days, in the hopes that meaningful consultation with counsel and, thus, progress

Hon. Kiyo A. Matsumoto

August 7, 2020

Page | 2

toward a negotiated resolution with the Commission, will be possible in that time. The Commission consents to this request.

*Status as to Greebel*

The Commission and counsel for Greebel have continued to engage in good faith discussions concerning the potential consensual resolution of the claims in this action. The Commission staff has informed Greebel's counsel of settlement terms the staff would be willing to recommend to the Commission, and has engaged in discussions with counsel concerning those terms. Greebel's counsel has provided information and a proposal concerning certain of the Commission staff's settlement terms. Counsel for the parties have held additional discussions to assist the Commission staff in considering Greebel's position. The Commission is endeavoring to resolve the claims as to both Greebel and Shkreli that takes into account their respective roles and culpability. The Commission is therefore evaluating both defendants' proposals in tandem.

Mr. Greebel's counsel respectfully asks the Court for an additional 60 days. The Commission consents to this request.

Respectfully submitted,

*Paul G. Gizioni*

Paul G. Gizioni  
Senior Trial Counsel  
Securities and Exchange Commission

*Andrea Zellan*

Andrea Zellan  
Brafman & Associates, P.C.  
Counsel for Shkreli, MSMB Adviser, and  
MSMB Healthcare Adviser

*Reed Brodsky*

Reed Brodsky  
Gibson, Dunn & Crutcher LLP  
Counsel for Greebel